



Attorney General Jon Bruning

NEWS RELEASE

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Attention College Students: Beware of Easy Credit

Note: Sound bites on this topic will be available shortly at: www.ago.ne.gov

(Lincoln, Neb.) Most college students are back on campus and so are those tempting offers of easy credit or cash. Attorney General Jon Bruning reminds students to beware.

“A seemingly good deal can come with a high price,” said Bruning. “Students should think twice before accepting credit card offers, payday loans, check cashing services and other easy ways to put cash in their wallets.”

Accepting giveaways for filling out a credit card application can leave students with a high interest rate on their new card. Students and parents should discuss whether or not a credit card is needed and types of credit available. If a student is getting a card, be sure to find one with a reasonable interest rate and fees, and remember that it’s important to use it wisely.

“Before you know it, you can have a larger balance than you can afford. Dinner out, a tank of gas, and trips to the movies can quickly add up. Charging too much now means you could still be paying it back after graduation and beyond,” Bruning said.

With a \$3,000 balance at 19 percent annual interest, a \$60 monthly payment will take nine years to pay off and cost more than \$6,000.

Here are some more credit card tips:

- Not all credit cards are equal. Shop around for the best terms.
- Limit the number of credit cards you have. The more you have, the more likely you are to spend.
- Read the cardholder agreement and understand the terms.
- Pay your credit card bill in full and on time every month to avoid interest charges.

Students can prevent pre-approved credit card offers from being mailed to them by opting out at www.optoutprescreen.com.

Students also need to be careful with their personal information. Identity theft happens on college campuses too. Bruning said sensitive documents with bank account, credit card or Social Security numbers need to be kept in a safe location, away from roommates, friends and other visitors. To further protect personal information, college students should keep their computers updated with anti-virus software, spyware detection and a firewall.

A good resource is the Identity Theft Repair Kit. It’s free and offers students a step-by-step guide to repairing credit if they’ve been a victim of identity theft, along with tips on how to protect personal information. Getting a copy is easy. Contact the Consumer Protection Division at 1-800-727-6432 or download it from www.ago.ne.gov.

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